

## BILL ANALYSIS

Senate Research Center

H.B. 943  
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Intergovernmental Relations  
6-20-95  
Enrolled

### BACKGROUND

The statute which provides for local mass transit authorities provides adequately for financial audits. However, some legislators and their constituents have raised questions about whether the board of the Houston Metropolitan Transit Authority is carrying out the intent of the legislature in its expenditures. Since 1992, the agency's fund balance has fallen from \$650 million to \$67.8 million. During this period, up to 63.7 percent of its sale tax income has been spent for street and traffic programs, although the statute sets the limit at 25 percent.

### PURPOSE

As enrolled, H.B. 943 provides that certain metropolitan transit authorities are subject to performance audits by the state comptroller.

### RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 141, Article 1118x, V.T.C.S., by adding Section 12H, as follows:

Sec. 12H. COMPTROLLER'S PERFORMANCE AUDITS OF CERTAIN AUTHORITIES. (a) Provides that a metropolitan authority in which the principal city has a population of more than 1.2 million is subject to performance audits by the state comptroller of public accounts to determine whether the authority is accomplishing the purposes for which it was created, in addition to the audit required by Section 12D of this Act. Authorizes the comptroller to examine any budgets and operations of the authority, determine whether the authority is effectively and efficiently providing the services it was created to provide, and make appropriate recommendations to the legislature, in performing an audit under this section.

(b) Authorizes the comptroller to initiate an audit under this section at the comptroller's discretion and to initiate an audit at the request of the governor, lieutenant governor, the speaker of the house of representatives, or the presiding officer of the committee of the senate or the house of representatives responsible for approving legislation governing the authority, except that an audit under this section may not be performed more often than once every two years.

(c) Requires the comptroller to file a copy of the report of each audit performed under this section with each person who has authority to initiate the audit.

SECTION 2. Emergency clause.  
Effective date: upon passage.